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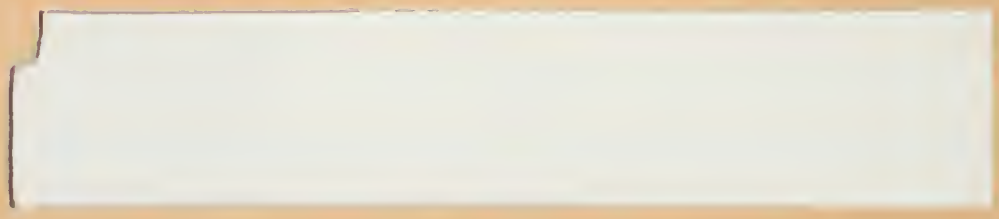

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MONTANA PROPRIETARY SCHOOLS

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STAFF REPORT NO. 9
MONTANA PROPRIETARY SCHOOLS

Prepared For

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June, 1974

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INTRODUCTION

During the early part of this decade, citizens of the State, public officials, State leaders, and post-secondary interest groups of Montana have expressed concerns regarding the nature and operation of proprietary school education in the State of Montana.

The State of Montana, in responding to those concerns, has subsequently passed legislations (1971-SR60, 1973-HB578, 1974-HB749) seeking to insure improved State coordination of services, protection for its citizens, and more importantly, provide some regulation to insure that a qualitative education is given to students in private school situations.

This study comes at a time of critical review of changing education needs of Montana people and future relationships between the State and public sector. To significantly contribute to a greater understanding of those present needs and relationships, this report describes and explains what is represented in the facts and issues to open the door for options available for future growth of state and proprietary schools in general.

The primary purpose of this staff report is to provide the members of the Commission with general information, data, and recommendations. These will permit the Commission to fulfill its responsibility for reporting on the present status and future needs of the state and private school in relationship to the citizen population of this state.

ACKNOWLEDGEMENTS

In order to do a thorough study of an issue as new and complex as "Montana Proprietary Education", the support and help of many people from all walks of life throughout the state was needed.

The Commission staff acknowledges with appreciation the following individuals, without whose help the contents of this report could not have been adequately developed.

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Consumer Affairs Division

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Advisory Council for Vocational Education

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FAA District Office Airport

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Department of Intergovernmental Relations

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Department of Fish & Game

To the owners and managers of proprietary schools who responded to the Commissions questionnaire (without which this report would lack vital information), the Commission is deeply grateful.

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Howard C. Potter	Billings Business College
Ralph Shook	Montana Real Estate Institute, Helena

During the early development and course of this report, the staff was fortunate to discuss its contents and subsequent study approach with some of the Commission members to whom we owe a special thanks:

Joan Kennerly, Commission Member
Montana Commission on Post-Secondary Education

Linda Skaar, Vice-Chairman
Montana Commission on Post-Secondary Education

V. Edward Bates, Commission Member
Montana Commission on Post-Secondary Education

There have been a number of citizens who have made significant contributions to the development of this report. The staff would like to thank them for their critical interest and input.

SECTION I

METHODOLOGY OF STUDY

METHODOLOGY OF STUDY

During the initial development of the staff report, a study approach was designed to answer basic questions:

(1) What is the current status of proprietary school education in the State of Montana?

(2) What official or un-official relationship exists between state-federal agencies and proprietary schools, including students relative to the co-ordinating process?

In response to the above, the staff's initial task was:

(1) consultation with representatives of proprietary schools;

(2) collection of information on proprietary schools and state agencies concerned with proprietary education

(3) meeting with representatives of appropriate state government agencies to review legislation relevant to the study.

The data and information were collected via questionnaires, meetings, personal interviews, personal observations, and the contributions of concerned individuals.

The staff's second task in the research project was conducting a meeting of members associated with proprietary schools from throughout the state in October, 1973. This meeting helped identify those schools which would subsequently participate in the study and gave the schools an opportunity for input into the development of the questionnaire. Responses to this questionnaire* provided most of the factual information on the proprietary schools which is summarized in this report.

Another research mechanism used during the study was personal meetings with the directors of various state agencies. One result of these discussions was the willingness on the part of the agencies to share available data and advance information about goals and legislation affecting future planning and operation of proprietary schools.

The third task was recording and analyzing the input and data collected from all sources in order to provide an information base for the Commission on Post-Secondary Education.

*See Appendix A, Description of Proprietary Schools.

SECTION II

PROPRIETARY SCHOOLS IN MONTANA

STATUS OF PROPRIETARY SCHOOLS IN MONTANA

This section of the report shows the present status, nature and costs of proprietary occupational and professional education in private schools in the State of Montana. The data and reporting information used in this report does not reflect

--a holistic or complete over-view of school training or education programs in the proprietary post-secondary schools in this state,

--the schools possibly excluded,

--complete information on thirty-three (33) commercial flight schools operating under the guidelines of federal aviation regulations.

To see questions asked by this study see Appendix B of this report.

PUBLIC VALUE OF PRIVATE SCHOOLS IN MONTANA

It can be concluded that Montana proprietary schools are providing a variety of specialized training desired by present students attending these schools. Wellford Wilms, Director of the Center for Research and Development in higher education, University of California, Berkeley, probably said it best in the following statement:

> Proprietary schools are particularly well suited for the training function in higher education. They cannot survive if there is no demand for their graduates; therefore, they strive to give the student a tangible skill. Satisfied employed graduates are often the most effective recruiting tool for a proprietary school, one disgruntled class of graduates can cut into future profits severely. In order to ensure a demand for their graduates, proprietary schools must remain connected to the labor market, which in turn provides them with an internal yardstick for allocating resources. When a new market opens, a profit-making school has an instant incentive to shift resources from marginally productive programs that will yield a greater return on their investment.

Several indicators point to the growing need of proprietary education to meet the demand for educational services.

OVERVIEW OF SCHOOLS STUDIED

Why do Montana students select a private school? Most of the students attending these schools do not want to spend four years in an institution of higher learning. Also, the majority of these schools do not offer curricula of non-related academic subjects similar to those required in higher education institutions. The exceptions are usually in the category of flight and health schools. Students select a proprietary school, too, because of the specific nature of the course offering which leads to a job, as well as their own educational objectives. Over 80% of the students graduating successfully from these schools obtain

direct employment relative to the training received in proprietary schools in this state. This factor alone assures future growth of the proprietary schools.

Admission practices of Montana proprietary schools are determined by the individual schools admission policy. However, this policy is influenced by such variables as Veterans Administration Regulation and associated crediting agencies who help shape the school policy. Most of these schools are under some sort of regulatory control by a state agency charged with protecting educational quality. House Bill No. 749, which was passed by the 1974 legislative session, provides, that those not currently covered by a State or Federal regulatory process will be held accountable to the public interest. (See resolution passed by the Senate - SR30 - Appendix F.)

During the study, it was found that many private school instructors are not certified by the state since regulations do not require it. It can be noted, however, that most of the school instructors have related job experience and training. This is recorded with either a federal or state agency and shows that they are educationally equipped to instruct the subject or course. The largest number of instructors teaching in a proprietary school was 24. The average number of instructors (based on 37 schools)

was 3.3 instructors out of a total 215 instructors. The owner is, in some instances, both teacher and manager.

During this study effort, 70 private proprietary schools were identified and are currently operating an educational program leading to a certificate. Most of the schools studied were located in major urban areas of the state, except flight schools, 95% of which are localized in small towns with available airport facilities. The locations of the remaining facilities are usually based on local need, student interest and proximity to other institutions. For instance, schools involved in training personnel in the health fields are located either in a hospital and/or near a college or university.

A number of the school facilities are in rented or leased quarters but the majority own their own facilities. The schools report that their facilities and staff can be adjusted rapidly to meet changes in enrollments and to accommodate student needs.

SECTION III

OVERVIEW OF STATE AGENCIES

OVERVIEW OF STATE AGENCIES

Four state departments have jurisdiction to varying degrees over Montana proprietary schools and students. The following is an analysis of each department's role in proprietary education.

Department of Business Regulation

Recent statutes (75-9201-9223, R.C.M. 1947) make the Department of Business Regulation the principle state agency charged with regulating Montana proprietary schools. With the exceptions enumerated below, the department is to license all proprietary institutions operating in Montana. The department, with the commissioner of higher education in consultation, establishes the criteria, eleven of which are specified in state law, that prospective schools must meet to become licensed. The department may investigate any applicant, receive and require academic records to be maintained and check any verified complaint filed by any institution or person subject to or reasonably believed by the department to be subject to the statutes cited.

After complying with state laws, the following educators are free of the department's regulation:

1. institutions accredited by a national or regional accrediting agency recognized by either the board

advisory council composed of five members appointed by the governor and two ex-officio members--the superintendent of public instruction and the commissioner of higher education.

Department of Professional and Occupational Licensing

Montana law charges this department with licensing and regulating many of the professions and occupations which exist in the state. The department (through its various boards) normally regulates students by requiring them to obtain a license through examination before practicing the profession or occupation and often regulates schools by requiring them to be approved or licensed. Three boards in this department play a role in proprietary education.

The State Board of Cosmetologists and its enacting legislation (66-801 to 816 R.C.M. 1947) requires a cosmetology school to be licensed before it may operate, and a person to be licensed before he may practice or teach the trade. A prospective teacher or practitioner must successfully complete the board's examination before becoming licensed. State law explicitly sets down the criteria which a school must meet before being licensed. These criteria concern everything from the school's instructors and equipment to daily attendance and the number of hours of instruction.

Schools of cosmetology are exempted from the regulation of the Department of Business Regulation.

In a similar fashion, state law requires all nurses to be licensed before they can practice their profession in Montana. To be licensed, a nurse must pass an examination administered by the State Board of Nursing or gain endorsement without examination by the board which can be obtained for such reasons as having been licensed in another state. To qualify to take the examination, a prospective nurse must be a graduate of a school of nursing approved by the board. A school obtains approval or disapproval in a survey conducted by the board's executive secretary. Nursing schools, unless they are administered by the state or approved by a national accrediting agency, must conform to the laws administered by the Department of Business Regulation.

Real estate salesmen and brokers must be licensed by the State Board of Real Estate. To obtain a license to sell real estate or to conduct the business of a broker, a person must pass the examination administered by the board. This board does not regulate real estate schools. The one real estate school which appears to exist in Montana simply offers a week's preparation for the state examination. This and such schools are regulated by the Department of Business Regulation.

Department of Fish and Game

The Department of Fish and Game exercises some governance over students graduating from outfitting and guide schools. To become a practitioner, a prospective outfitter must pass an examination administered by the department and meet other qualifications specified in Montana Law (26-908 to 922, R.C.M. 1947). A prospective guide must be endorsed and recommended by a licensed outfitter and hold a resident wildlife conservation license.

Outfitter and guide schools are subject to the laws administered by the Department of Business Regulation.

Department of Intergovernmental Relations, Board of Aeronautics

The Board of Aeronautics and its enacting legislation (1-201 to 205 and 1-301 to 324 R.C.M. 1947) require all Federal Aeronautics Administration (FAA) licenses, certificates, and permits to be registered annually. All of the board's rules and regulations must conform as much as possible to federal rules and regulations. The board issues a state certificate or pilot's identification card to each person who registers a federal license. All pilot and instructor ratings are granted by the FAA, not the board. To become a pilot or instructor a person must obtain a federal license which is granted

on meeting a host of qualifications. So indirectly, the board supervises prospective aviators by requiring state registration.

No one may operate a flight school or give instruction in flying without possessing the state's annual license or a federal license registered with the board. The board also touches proprietary schools offering instruction in flying by being responsible for reviewing the curriculum and quality of instruction at flight schools approved by the Veterans Administration.

Institutions possessing a valid certificate issued by the FAA are exempted from the statutes administered by the Department of Business Regulation.

SECTION IV

SUMMARY

SUMMARY

The increasing interest by citizens, state officials, and state leaders concerning proprietary school education will impose future demands on existing state systems to protect students attending proprietary schools in the State of Montana. Problems developing from those demands, fortunately, will not be quite as difficult to solve as assumed, either technically or financially. Some of the proprietary school problems facing this state could be eliminated immediately by having those state agencies or divisions responsible for the regulation or coordination of students and schools, standardize coordinated state practices especially as they relate to school regulatory practice. Still other relatively simple administrative measures could be taken immediately to eliminate other problems as soon as they arise in proprietary schools.

However, neither the improvements nor measures for immediate solutions of proprietary school problems can be applied successfully, unless this state allocates and provides a strong centralized administrative organization with support of funds, continuing legislations, and technical and professional staff who can plan, coordinate, and direct both short and long range goals of those to whom they are responsible---the people of this state.

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This report was prepared by the committee designated by the State Board of Education in response to Senate Joint Resolution 30. A Report to the State Board of Education on Private Trade, Correspondence and Vocational Technical Schools.

APPENDICES

APPENDIX A

DESCRIPTION OF PROPRIETARY SCHOOLS

NARRATIVE

PROPRIETARY SCHOOLS

AUCTIONEERING: The one auctioneering school in the state offers courses in auctioneering (livestock, farms, stores, machinery and equipment, household goods, antiques, etc.), rodeo announcing, racetrack announcing, horse show announcing and public speaking.

AUTOMOTIVE: There are two schools in Montana offering training exclusively in automobile repair and maintenance. Approximately 90% of the students are from states surrounding Montana. These schools will fall under the authority of the Department of Business Regulation after January 1, 1975. Typical of the courses offered are: engine overhaul, theory, electrical systems, tune-up, transmissions, drive lines, suspension systems, brakes, auxilliary systems, parts counterman, chassis, etc.

BUSINESS: Business schools will likewise be regulated by the Department of Business Regulation effective January 1, 1975. Typical of the courses offered by the four business schools in the state are: administration, clerk typist, executive secretarial, accounting, business, data processing, professional secretarial, real estate, stenographic, airline management, machine bookkeeping, computer porgramming, hotel-motel management, institutional cooking, medical secretarial, executive key punch, income tax, speedwriting, shorthand, receptionist, legal secretarial, fashing merchandising, court reporting, etc. One business school (Butte

Narrative - Proprietary Schools (continued):

Business College) offers a course in dental assisting.

CERAMICS: There is only one school in the state offering training exclusively in ceramics. Students may receive credit at Montana's post-secondary institutions for work accomplished at this school. The ceramic school will also be regulated by the Department of Business Regulation effective January 1, 1975.

COSMETOLOGY: There are presently 12 cosmetology (or beauty) schools in the state. In order to qualify for licensure in Montana, students enrolling in these schools must ultimately meet state requirements which call for a high school diploma or its equivalent; must be 18 years of age or older; and the length of training, which is also established by law, must be 2,000 hours in class study to be completed in not less than 10 months and not more than 14. These schools are regulated by the State Board of Cosmetology within the Department of Professional and Occupational Licensing.* Typical of the courses offered at the cosmetology schools are: shampooing, facial massage, eyebrow arch, makeup, scalp treatments, manicuring, permanent wave, razor hairshaping, scissor cutting, style cutting, hairdressing,

*Cosmetology schools are exempted from the law placing proprietary schools under the Department of Business Regulation effective January 1, 1975.

Narrative - Proprietary Schools (continued):

comb-outs, tinting, bleaching, rinsing, personal grooming, cosmetic chemistry, wigs, salesmanship, laws relating to cosmetology, pin curls, finger waving, shop management, business methods, professional ethics, shop etiquette, electrolysis, hygiene, bisual poise, personality development, bacteriology, sterilization and sanitation, hair pressing, thermal waving, skin and scalp diseases, anatomy and physiology, etc.

FLIGHT SCHOOLS: There are currently 33 flight (or aviation) schools in the State of Montana offering either private and/or commercial flight training to students who are primarily from Montana. These schools and their training programs are approved by the Federal Aviation Administration (FAA) of the U.S. Department of Transportation. The cost of training for a commercial pilot ranges from $1,600 to $4,600. and for a private pilot, approximately $1,000. After training has been successfully completed, the FAA flight exam is administered by one of the nine approved FAA examiners in the state. Of the 33 flight schools in the state, 21 are approved by the Veterans Administration for the training of veterans. At the current time, 16 of these 21 schools have a total of 64 veterans enrolled (see attached for list of schools - those which include veterans in their enrollment) are indicated by "VA-10"). Flight schools are exempt from the legislation placing regulation of proprietary schools under the Department of Business Regulation, how-

Narrative - Proprietary Schools (continued):

ever they will continue to be regulated by the FAA. The courses offered by the flight schools are: basic and advanced ground school; primary, commercial, instrument and flight instructor training; navigating; dispatching; and crop spraying. The following types of aircraft are utilized for training: single engine, multi engine, heliocopter, rotocraft, glider, gyroplane, seaplane, turboprop and turbojet.

MEDICAL TRAINING: The 9 schools in the state which train medical technologists, x-ray technicians and diploma nurses are all located in private hospitals. The medical techologist and x-ray technician programs are "internship" programs and require some degree of academic training for their enrollees before they are accepted. The students in the nursing program are enrolled at the University of Montana for courses in physical, biological, social and behavioral sciences for the first three quarters of their training. The nursing program is presently regulated by the State Board of Nursing, and will apparently continue to be, however the medical technologist and x-ray technician programs will evidently be regulated by the Department of Business Regulation after the first of the year. Monthly stipends are normally provided to students in the latter two programs.

Narrative - Proprietary Schools (continued):

OUTFITTER AND GUIDE: There are two schools in the state which offer courses in outfitting and guiding. The schools are currently regulated by the State Department of Fish and Game and this arrangement will apparently continue, since the new legislation providing regulation of proprietary schools exempts "recreational" schools. There are approximately 625-650 licensed outfitters and guides in Montana at the present time. Typical of the courses offered in these schools are: packing, guiding, outfitting, fishing, horsemanship, horseshoeing, camp cooking, skinning and caping, stalking big game, map reading, first aid, etc.

REAL ESTATE: There is only one school in the state which trains individuals for the real estate business. The school is presently regulated by the Montana State Board of Real Estate, and all individuals who wish to engage in the real estate business in Montana must obtain licensure from the Board. However, the Department of Business Regulation will be the regulatory agency after January 1, 1975.

TAX PREPARATION: The four tax preparation schools in the state are all operated by H & R Block Company, and many of the students who successfully complete the program are hired by the company.*

*These schools will also come under the regulation of the Department of Business Regulation after the first of the year.

Narrative - Proprietary Schools (continued):

The courses offered include: introduction, filing requirements, headings, filing status, exemptions, dependents, income, F.I.C.A., tax computation, itemized deductions, state returns, rental income, dividends, interest, depreciation, pensions, annuities, royalties, depletion, business schedule, farm schedule, self-employment tax, sale or exchange of capital or business assets, sale of personal residence, installment sale, auto and travel expense, sales expense, sick pay, moving expense, income averaging, minimum tax, self-employed retirement plan, investment credit, retirement income credit, gas tax refund, Social Security, tax on tips, carrybacks, estimates, Form 2210, income earned abroad, foreigh tax credit, etc.

RELIGION: There is only one school in the state offering courses exclusively in the area of religious training. The school trains individuals for missionary work, for lay work with a church, and offers a four-year professional degree in theology. During 1973, the student body was comprised of individuals from 20 different church denomiations, with students from 16 different states. Graduates of the school are presently serving in Africa, Europe and South America. Courses offered include: general Bible emphasis, pastoral emphasis, missions emphasis, Christian education, music, Christian ministry, etc.

KEY TO LIST OF FLIGHT SCHOOLS ON FOLLOWING PAGES

Ground Schools.

B Basic Ground School
A Advanced Ground School
* Indicates that the school is operated by or in conjunction with an accredited college or university.

Flight Schools.

P Primary Flying School
C Commercial Flying School
I Instrument Flying School
F Flight Instructor School

(A) Training conducted in land airplanes
(S) Training conducted in seaplanes
(H) Training conducted in helicopters
(G) Training conducted in gliders
$ Indicates Examining Authority. Graduates may be certificated without further tests by the FAA.

Special Pilot Training Courses.

AG Agricultural Operator Course - Airplanes
AH Airline Transport Pilot Course - Helicopter
AR Agricultural Operator Course - Rotorcraft
AT Airline Transport Pilot Course - Airplane
FH Flight Instructor Additional Rating Course - Rotorcraft
FR Flight Instructor Additional Rating Course - Instrument
GR Glider Rating Course
ME Multiengine Rating Course - Airplane
RA Airplane Rating Course
RG Gyroplane Rating Course
RH Helicopter Ratong Course
RS Seaplane Rating Course
SE Single-Engine Rating Course - Airplane
TR Type Rating Course (aircraft type will be listed)
XL External Load Operator Course - Rotorcraft

The codes used to designate the courses and equipment offered on the Dispatcher, Navigator, and Engineer Approved Course List are as follows:

AD Aircraft Dispatcher
FN Flight Navigator
FE Flight Engineer
FEB Flight Engineer-Basic
FER Flight Engineer-Reciprocating
FEP Flight Engineer-Turboprop
FEJ Flight Engineer-Turbojet

FLIGHT SCHOOLS

Albrights Flying Inc.
Roundup, Montana
D01-15
P(A), C(A)
F(A)

Big Sky Aircraft, Inc.
Lewistown, Montana
D01-9
B A P(A), C(A)
I(A), F(A)
FR, ME

Boles Aviation Service
Hardin, Montana
D01-7
P(A), C(A)
I(A), F(A)

Butte Aero
Butte, Montana
D05-21
P(A), C(A)
F(A)

Central Air Service, Inc.
Lewistown, Montana
D01-14
P(A)

Combs Airways, Inc.
Billings, Montana
D01-6
P(A), C(A)
I(A), F(A)
AT, ME, RA

Dillon Flying Service
Dillon, Montana
D05-17
P(A), C(A)
F(A) (VA-1)

Executive-Skyflite
Missoula, Montana
D05-15
P(A), C(A)
I(A), F(A)
ME (VA-6)

Falcon Aviation,Inc.
Miles City, Montana
D01-12
B

Flathead Valley Community College
Kalispell, Montana
D05-16
B*

Flight Line, Inc.
Belgrade, Montana
D05-2
B A P(AS), C(A)
I(A), F(A)(VA-6)
ME

Gillis Aviation
Billings, Montana
D01-5
B A P(A), C(A)
I(A), F(A)(VA-3)
AT, FR, ME

Glasgow Senior High School
Glasgow, Montana
D01-16
B

Glendive Flying Service
Glendive, Montana
D01-10
B A P(A), C(A)
I(A), F(A)(VA-1)

Havre Aviation
Havre, Montana
D05-20
P(A), C(A)

Hensley Flying Service
Havre, Montana
D05-4
P(A), C(A)
I(A), F(A)

Herrod School of Aviation
Billings, Montana
D01-3
B A P(A), C(A)
I(A), F(A)

FLIGHT SCHOOLS

Holman Aviation Co.
Kalispell, Montana
D05-11
B A P(A), C(A)
F(A) (VA-4)
ME

Holman Aviation Co.
Great Falls, Montana
D05-6
B A P(AS), C(A)
I(A), F(A)(VA-4)
FR,ME

Johnson Flying Service, Inc.
Missoula, Montana
D05-1
P(A) (H). C(A) (H)
I(A), F(A) (H)(VA-3)
AH, AT,FR, ME, RH

Lynch Flying Service, Inc.
Billings, Montana
D01-2
B A P(A), C(A)
I(A), F(A)(VA-10)
AT, FR, ME

Miles City Aero Service, Inc.
Miles City, Montana
D01-11
B P(A), C(A)
F(A) (VA-1)

Missoula Technical Center
Missoula, Montana
D05-19
B A

Morrison Flying Service, Inc.
Helena, Montana
D05-536
B A P(A), C(A)
I(A), F(A)(VA-3)

Munsons Aerial Spraying
Plentywood, Montana
D01-1
P(A)

Northern Aviation, Inc.
Great Falls, Montana
D05-12
B A P(A), C(A)
I(A), F(A) (VA-1)
ME

Pondera Flying Service, Inc.'
Conrad, Montana
D05-3
P(A), C(A)
F(A)

Skycraft
Lewistown, Montana
D01-8
P(A), C(A)
I(A), F(A)

Skymart Aviation, Inc.
Great Falls, Montana
D05-9
B A P(A), C(A)
I(A), F(A) (VA-7)
FR, ME

Stockhill Aviation, Inc.
Kalispell, Montana
D05-13
B A P(A), C(A)
I(A), F(A) (VA-2)

Strand Aviation, Inc.
Kalispell, Montana
D05-10
B A P(A) (S), C(A) (S) (H)
I(A), F(A) (H) (VA-10)
ME

Timm Aero Service
Polson, Montana
Do5-14
P(AS), C(A) (S)
I(A), F(A)

Wokal Flying Service
Glasgow, Montana
D01-4
B A P(A), C(A)
I(A), F(A) (VA-3)

OVERVIEW OF

PROPRIETARY SCHOOLS IN MONTANA

TYPE OF PROPRIETARY SCHOOL	NO. OF SCHOOL BY TYPE	NO. OF COURSE OFFERINGS	ACCREDITING AGENCY	STATE APPROVED OR REGULATORY AGENCY	V.A. APPROVED	NO. OF INSTRUCTORS	NORMAL COST OF TRAINING	% STUDENT SEX DISTRIBUTION	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I) FEMALE	MALE
1 Auctioneering School	1	6	None	Dept. of Education Veterans Administration, Dept. of Rehabilitation.	V.A.--1	16	$350.	3%	97%
2 Auto Schools	2	12	National Association of Trade and Technical Schools	Bureau of Indian Affairs, Vocational Rehabilitation, Depts. for Various States, Veterans Administration, Manpower Development Training Program, Social Security Administration.	V.A.--2	11	$1990.--$2145.	2%	98%
3 Beauty Schools	12	134	Cosmetology Accrediting Commission	Bureau of Indian Affairs, Veterans Administration, Mont. Vocational Rehabilitation, State Board of Cosmetology Social Security Administration	V.A.--12	24	$530.--$1350.	98%	2%
4 Business Schools	4	54	Accrediting Commission for Independent College & Schools, College School of Business	Mont. State Board of Education, Veterans Administration, Bureau of	V.A.--4	24	$180.--$1650.	80%	20%

PROPRIETARY SCHOOLS IN MONTANA

TYPE OF PROPRIETARY SCHOOL	NO. OF SCHOOL BY TYPE	NO. OF COURSE OFFERINGS	ACCREDITING AGENCY	STATE APPROVED OR REGULATORY AGENCY	V.A. APPROVED	NO. OF INSTRUCTORS	NORMAL COST OF TRAINING	% STUDENT SEX DISTRIBUTION	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I) FEMALE	MALE
Continued from line 4			Administration, Missoula is non-accredited	Indian Affairs, Manpower Development & Training Act, War Orphans, Work Incentive Program, United Student Aid Fund, Manpower Development and Training Act, Social Security Administration					
5 Ceramic School	1	2	None	None	V.A.-1	4	$41.00	75%	25%
6 Flight Schools (Part 141 only)	33	No Record	None	Montana Aeronautic Federal Aeronautic Administration	Approved 21 Active 16	No Records See Appendix	$1600.- $4600.	5%	95%
7 Health Schools	8	83	National League for Nursing, College School of Business Administration, American Registry of Radiologic Technology	Council on Medical Education of the American Medical Association, Western Interstate Commission for Higher Education (WICHE)	V.A.--8	24	$75.00- $400.	85%	15%
8 Outfitters & Guides Schools	2	20	None	State Fish & Game	V.A. --1	5	$95.00.- $1500.-	2%	98%

PROPRIETARY SCHOOLS IN MONTANA

TYPE OF PROPRIETARY SCHOOL	NO. OF SCHOOLS BY TYPE	NO. OF COURSE OFFERINGS	ACCREDITING AGENCY	STATE APPROVED OR REGULATORY AGENCY	V.A. APPROVED	NO. OF INSTRUCTORS	NORMAL COST OF TRAINING	% STUDENT SEX DISTRIBUTION	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I) FEMALE	MALE
9. Real Estate and Tax Preparation Schools	6	41	Accrediting Commission for Independent College & Schools, College School of Business Administration	Mont. Board of Real Estate	V.A.--1	9	$75.00--$140.	29%	71%
10. Religious School	1	7	Accrediting Association of Bible Colleges	Selective Service System	V.A.--1	10	$292.00--$663.	60%	40%
11. TOTALS	70	359 Item six excluded	14	----------	52	125 Item six excluded	$41.00--$4600.	43.9%	56.1%

Source: Commission on Post-Secondary Education Survey Instruments, V.A. Office, Supt. of Public Instruction, Federal Agencies, State Agencies, Proprietary Schools, Phone Survey, Personal Interviews.

*These figures are presumed to be accurate as derived from various sources inputed.

COLUMN FOOTNOTE:

Line 1, Column H: A flat fee of $350 is charged to students.

Line 5, Column H: A flat fee of $41.00 per month is charged to students.

Line 6, Column C, F, G: Of the questionnaire sent to these schools none were returned/of the two memos sent to Montana's Aeronautic Division and FAA requesting input and data see appendix for form sent and responses.

BREAKDOWN OF DATA FOR PROPRIETARY SCHOOLS

SCHOOL	ENROLLMENT*	GRADUATES*	LENGTH OF PROGRAM(S)	CERTIFICATE OF COMPLETION	ADMISSION REQUIREMENTS	CAPACITY	PLACEMENT PROGRAM
AUCTIONEERING SCHOOL							
Western College of Auctioneering (Blngs)	30	100 per year	2 weeks	Auctioneering Certificate	None (3-day probation)	30-35	Unknown
AUTOMOTIVE SCHOOLS							
Montana Auto Col. (G.F.)	49	Unknown	6-9 months	Diploma/Certif.	High School Diploma or Equiv. + Written Exam	200	Yes
Billings Automotive Training Center	77	175 per year	1 year	Diploma	8th Grade or Equivalent	252	Yes (Approx. 85% Placement)
BUSINESS SCHOOLS							
Modern Business College (Msla)	Unknown	20	Varies	Diploma/Certif.	H.S. Diploma or GED	20-25 (More than present enrollment)	Unknown
Great Falls Commercial College	165	112	Varies	Diploma/Certif.	H.S. Diploma or Equiv.	315	Yes (96%)
Butte Business Col.	70	Unknown	Varies	Diploma	H.S. Diploma or Equiv.	120	Yes (100%)
Billings Business Col.	190	80% of Enrollment	Varies	Diploma	H.S. Diploma or Equiv.	540	Unknown
CERAMIC SCHOOL							
Archie Bray Foundation (Hlna)	150 per yr.	Unknown	Unknown	Certificate	None	Unknown	No

*Time Span Covered Varies.

SCHOOL	ENROLLMENT	GRADUATES	LENGTH OF PROGRAM(S)	CERTIFICATE OF COMPLETION	ADMISSION REQUIREMENTS	CAPACITY	PLACEMENT PROGRAM
COSMETOLOGY							
Acme Beauty College (Billings)	30-40 per yr.	25-30 per yr.	2000 hours (10-14 months)	Certificate	H.S. Diploma	115	Yes (100%)
Holiday College of Beauty (Gr. Falls)	7	Unknown	Same as above	Unknown	Same as above	Unknown	Unknown
Butte Academy of Beauty Culture	20-23	25 (Yearly Average)	Same as above	Diploma	Same + Personal Interview	30	Yes
C&C Beauty College (Kalispell)	13	Unknown	Same as above	Diploma	Same	Unknown	Unknown
College of Beauty Careers (Anaconda)	Unknown	6	Same	Diploma	H.S. Diploma or Equivalent	25	Yes (80%)
College of Coiffure Art (Billings)	25	75 (Total All Years)	Same	Diploma	H.S. Diploma or Equivalent + Transcript of Grades + Age 17 or older	33	Yes (80%)
Dahl's College of Beauty (Great Falls)	Unknown	40-45 per yr.	Same	Diploma	Age 17 or older + Physical Exam	30 (More than present enrollment)	Yes (100%)
Hollywood Beauty College, Inc.(Blngs)	25 (past 3 years)	Unknown	Same	Unknown	Unknown	Unknown	Unknown
Maddio's Capitol City Beauty College (Hel)	47 (past 3 years)	11	Same	Diploma	8th Grade Educ. + Age 17 or older + Good moral character	7 (More than present enrollment)	Yes (80%)
Miles City College of Beauty	132 (past 4 years)	18	Same	Diploma	H.S. Diploma or Equivalent	30	Yes (98%)
Bozeman Beauty Coll.	25	23 per yr.	Same	Diploma	Unknown	50	Yes (Approx. 100%

SCHOOL	ENROLLMENT	GRADUATES	LENGTH OF PROGRAM(S)	CERTIFICATE OF COMPLETION	ADMISSION REQUIREMENTS	CAPACITY	PLACEMENT PROGRAM
COSMETOLOGY (Cont'd)							
Mr. Rich's Beauty College (Msla)	17	Unknown	2000 hours (10-14 months)	Unknown	Unknown	Unknown	Unknown
FLIGHT SCHOOLS	(The only information available on the 33 flight schools is the fact that there are a total of 64 veterans enrolled in all schools at the present time. See narative).						
MEDICAL TRAINING							
St. Patrick's School of Nursing (Missoula)	140	12	30 months	Diploma	Age 17 or older + H.S. Diploma(with "C" average) + ACT entrance examination	140	Yes (Approx. 100
School of Medical Technology, Deaconess Hospital, Great Falls	6	6	12 months	Unknown	Unknown	8	Unknown
School of Medical Technology, Columbus Hospital, Great Falls	4	2	12 months	Unknown	$50.00 Enrollment Fee - Refundable Upon Successful Completion	Unknown	Yes (100%)
School of Medical Technology, St. James Hospital, Butte	6	6	12 months	Unknown	Unknown	Unknown	Unknown
School of Radiologic Technology, Columbus Hospital, Gr.Falls	12	6	24 months	Unknown	Unknown	Unknown	Unknown
School of Radiologic Technology, Deaconess Hospital, Billings	16	5	30 months	Certificate	Unknown	16	Yes (100%)
School of Radiologic Technology, Deaconess Hospital, Gr. Falls	6	4	24 months	Certificate	Citizenship + H.S. Diploma	Unknown	Unknown

SCHOOL	ENROLLMENT	GRADUATES	LENGTH OF PROGRAM(S)	CERTIFICATE OF COMPLETION	ADMISSION REQUIREMENTS	CAPACITY	PLACEMENT PROGRAM
MEDICAL TRAINING (Cont'd)							
School of Radiologic Technology, St. Patrick's Hospital, Missoula	5	4	24 months	Unknown	H.S. Diploma+ Aged 18-30+ Entrance Exams	Unknown	Unknown
School of Radiologic Technology, St. Vincent's Hospital, Billings	12	6	24 months	Diploma	H.S. Diploma or Equivalent+ Physical Exam	Unknown	Unknown
OUTFITTERS & GUIDES							
Outfitters & Guide School, (Hamilton)	7	24	5 weeks	Certificate	Unknown	10	Unknown
Del Cameron Enterprises (Victor)	30(1973)	Unknown	Unknown	Unknown	Aged 18 or older	32	Unknown
REAL ESTATE							
Montana Real Estate Institute (Helena)	15 per mo.	Unknown	5½ days	Certificate	Unknown	80	Unknown
TAX PREPARATION							
H&R Block, Helena	10	Unknown	10 to 13½-23½ weeks	Unknown	Unknown	18	Yes (70-100%)
H&R Block, Missoula	21	Unknown	Unknown	Unknown	Unknown	46	Yes
H&R Block, Billings	25	Unknown	3 months	Unknown	None	50	Unknown
H&R Block, Kalispell	14	Unknown	84 hours	Unknown	None	19	Yes (30%)
RELIGION							
Montana Institute of the Bible, Billings	143	36	1-4 years	3 year-Diploma 4 year-BRE Degree	H.S. Diploma or Equivalent	193	Unknown

APPENDIX B

REQUESTS AND RESPONSES FOR INFORMATION

COMMISSION ON POST-SECONDARY EDUCATION
~~2221 Ridge Avenue~~ • HELENA • MONTANA • 59601
201 E. 6th Avenue
Suite 5
406-449-2727

THOMAS L. JUDGE
GOVERNOR

TED JAMES
CHAIRMAN

PATRICK M. CALLAN
STAFF DIRECTOR

November 2, 1973

To: Proprietary Schools

From: Pat Callan

Subject: Request for Information

At our meeting of October 5 we discussed a questionnaire concerning the operations of proprietary schools. Below are the specific informational items we would like to secure -- if possible by November 23.

1) Number of students enrolled in your school for each of the last three years, by program.

2) Any available information on student characteristics, such as age, sex, marital status, city and state of residence, range of income, etc.

3) Kinds of programs offered at your school and the period of time required to complete these programs.

4) Any information concerning the placement of records of students who have graduated from your school (expressed in terms of number or percentage placed versus number or percentage not placed).

5) Costs and charges to the student for attending the school.

6) Name of accreditating agency, if any.

7) Number of graduates or number of certificates granted, by program area, for each of the last three years.

8) A statement of your admissions policy.

9) Number of instructional faculty currently employed by your school, expressed in terms of full-time equivalent.

10) Estimate of the number of additional students you could accept, by program, with current facilities and staff.

11) A copy of your school catalog.

12) Any other information regarding your school which you consider pertinent.

If you have any questions about this request, please feel free to contact us.

PC:cm

COMMISSION ON POST-SECONDARY EDUCATION
SUITE 5 - 201 EAST 6TH AVENUE • HELENA • MONTANA • 59601
406 449-2727

THOMAS L. JUDGE
GOVERNOR

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GLENDIVE
JOSEPH MCDOWELL
OVANDO
JOHN L. MCKEON
ANACONDA
DALE MOORE
MISSOULA
JOHN L. PETERSON
BUTTE
LAWRENCE K. PETTIT
HELENA
GARRY SOUTH
MISSOULA
JOYCE STEFFECK
HELENA
JESSICA P. STICKNEY
MILES CITY
WILLIAM WARFIELD
SOUTH OF LIVINGSTON

PATRICK M. CALLAN
STAFF DIRECTOR

April 11, 1974

To: Proprietary Schools

From: Kenneth G. Harwood
Research Analyst

Subject: Request for school data and related information

The 1973 legislative session created the Montana Commission on Post-Secondary Education. The legislature directed the Commission to "make a detailed and thorough study of post-secondary education in this state" and further mandated that specific attention be given to inventories of post-secondary educational resources, planning and coordination, access for all persons who desire and can benefit from post-secondary education and accountability.

Per your input (as requested) a commission report will be developed for consideration by the Commission on Post-Secondary Education, who in turn will submit a final report to the Governor and legislators recommending overall changes within the scope of post-secondary education throughout Montana.

Below are the specific informational items we would like to secure--if possible by April 26.

1) Number of students enrolled in your school for each of the last three years, by program.

2) Any available information on student characteristics, such as age, sex, marital status, city and state of residence, range of income, etc.

3) Kinds of programs offered at your school and the period of time required to complete these programs.

4) Any information concerning the placement of records of students who have graduated from your school (expressed in terms of number or percentage placed versus number or percentage not placed).

5) Costs and charges to the student for attending the school.

6) Name of accreditating agency, if any.

7) Number of graduates or number of certificates granted, by program area, for each of the last three years.

8) A statement of your admissions policy.

9) Number of instructional faculty currently employed by your school, expressed in terms of full-time equivalent.

10) Estimate of the number of additional students you could accept, by program, with current facilities and staff.

11) A copy of your school catalog.

12) Any other information regarding your school which you consider pertinent.

13) How long has your school been in operation?

If you have any questions about this request, please feel free to contact us.

Enclosed is a copy of our Revised Fact Sheet.

KGH:cm
Enc.

COMMISSION ON POST-SECONDARY EDUCATION
SUITE 5 - 201 EAST 6TH AVENUE • HELENA • MONTANA • 59601
406-449-2727

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GOVERNOR

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STAFF DIRECTOR

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JESSICA P. STICKNEY
MILES CITY
WILLIAM WARFIELD
SOUTH OF LIVINGSTON

TO: Les Severence, Chief
General Aviation District Office

FROM: Ken Harwood
Research Analyst

DATE: 4-29-74

SUBJECT: Request for general information and data regarding flight schools and training in the state of Montana.

From our discussion last week, you will find enclosed a copy of HB749 and a commission fact sheet. If possible, would you please send Jack Wilson a copy of this bill.

Listed below are the specific items I would like to secure by May 7, 1974.

(1) An up-to-date list of flight instructors. working actively in the state of Montana. Also explaining what constitutes a flight school on training under FAA regulation.

a. Part 141 and 61

(2) What number of students received flight certificates (under part 141-61) for each of the last three years, by FAA program guideline?

(3) Please send any available information on student characteristics, such as age, sex, county, residence, income group, etc.

(4) What is the normal cost and length of training leading to successful completion of training?

(5) Do the flight schools have accrediting agencies? If so, what requirements do these schools have to meet?

(6) How many certified flight instructors are there presently in the state of Montana in terms of a part-time or full-time equivalent.

(7) What is the ethnic distribution of students involved in this process?

(8) Any other information regarding your operation which you feel is pertinent to this study.

If you need further clarification about this report, please feel free to contact me. Thanks for your help.

DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

GENERAL AVIATION DISTRICT OFFICE
Room 3, FAA Building, Helena Airport
Helena, Montana 59601

May 9, 1974

Mr. Ken Harwood
Research Analysist
Commission on Post-Secondary Education
Suite 5
201 East 6th Avenue
Helena, Montana 59601

Dear Mr. Harwood:

I will attempt to answer the questions contained in your letter to this office dated 4-29-74; however, they are very broad, making specific replies difficult.

1. A Flight Instructor is any person who holds a current Flight Instructor Certificate issued by the Federal Aviation Administration. Due to the mobility of many of these persons, an up-to-date list is nearly impossible for any given day.

2. Unable to reply to this question.

3. No information available to this question.

4. Would need to know exactly what type of certificate was being pursued i.e., private, commercial, certificated flight instructor, instrument, airline transport pilot, etc.

5. None known.

6. Too variable, not known

7. No standard. Desire and money determines.

8. A complete study would require many manhours for interviews, travel, records review etc. and then we believe it would only produce a cross-section statistic, not every day factual material.

Sincerely,

Lester E. Severance

LESTER E. SEVERANCE
Chief, General Aviation District Office 5

COMMISSION ON POST-SECONDARY EDUCATION
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SOUTH OF LIVINGSTON

May 2, 1974

MEMORANDUM

TO: Mr. Jack Wilson, Chief
Montana Aeronautics Division
Safety and Compliance Bureau
Helena, Airport
Helena, Montana 59601

FROM: Kenneth G. Harwood
Research Analyst

RE: Commission request for information and data on flight instruction and schools.

I would like to secure information and data on the following questions by May 15, 1974:

(1) What is the State Aeronautics Commission role in relationship to approaching and regulating the various flight schools and their training of students under FAA, VA, or state guidelines?

(2) What is the range of expense incurred by these students attending these schools related to part 141 or 61 leading to a certificate under FAA regulations?

(3) What requirements do students have to meet in this training to secure a flight certificate?

(4) Do the schools have to secure a state license to provide training?

(5) What is the approximate number of students going through this educational process on a yearly basis usually leading to a flight certificate?

(6) What is the state Aeronautic position in seeking to improve educational service to students, quality of training, etc.?

(7) What type of students usually seek this training and under what fiscal conditions?

(8) Is there other information or data you feel is pertinent to this study of post-secondary schools?

KGH:je

THOMAS L. JUDGE
GOVERNOR

STATE OF MONTANA
DEPARTMENT OF INTERGOVERNMENTAL RELATIONS

MAIL TO CAPITOL STATION, HELENA, MT 59601

DIRECTOR'S OFFICE	406/449-3494	HIGHWAY SAFETY DIVISION	406/449-3412
AERONAUTICS DIVISION	406/449-2506	INDIAN AFFAIRS	406/449-2746
CENTRALIZED SERVICES DIVISION	406/449-3707	MUNICIPAL AUDIT DIVISION	406/449-3010
ECONOMIC OPPORTUNITY DIVISION	406/449-3420	PLANNING/ECONOMIC DEVELOPMENT DIVISION	406/449-2400

May 17, 1974

Kenneth G. Harwood
Research Analyst
Commission on Post-Secondary Education
Suite 5 - 201 East 6th Avenue
Helena, Montana 59601

Dear Mr. Harwood:

In reply to your memorandum of 2 May 1974, the following information is provided:

1. The State Aeronautics Division has no part in approving flight schools. This is a function accomplished by the FAA under FAR Part 141. The State Aeronautics Division does approve the curriculu and flight schools for VA training in compliance with FAA regulation under Part 141.

2. The range of expense depends upon the type of equipment and aircraft used in the training.

3. Students must accomplish the training requirements of FAR Part 61 and FAR Part 141.

4. Flight schools must obtain approval for VA training only from the State.

5. Unknown. The General Aviation District Offices in Helena and Billings would be better able to answer this item.

6. We are for it.

7. Highly motivated.

8. None.

Sincerely yours,

William E. Hunt, Administrator
Division of Aeronautics

Jack Wilson

Jack Wilson, Chief
Safety & Compliance Bureau

APPENDIX C

LIST OF PROPRIETARY SCHOOLS

List of Proprietary Schools

Western College of Auctioneering
P.O. Box 1458
Billings, Montana 59103
Mr. W. J. Hagen, Executive Secretary
Telephone: 245-6631

Billings Automotive Training Center, Inc.
1300 6th Avenue North
Billings, Montana 59101
Charles Strand, Presidents
Telephone: 252-4832

Montana Auto College
918 First Avenue North
Great Falls, Montana 59401
Mr. Darryl Meyer, President
Telephone: 761-7550

Acme Beauty College
320 North 30th
Billings, Montana 59101
Mrs. Cecelia Ekern, Owner
Telephone: 245-5567

Beauty College of Montana
Holiday Village
Great Falls, Montana 59401
Mrs. Nance Severson, Owner
Telephone: 452-6415

Butte Academy of Beauty Culture
303 West Park Street
Butte, Montana 59701
Mrs. Angeline Samardich, Owner
Telephone: 723-8565

C & C Beauty College
134 First Street West
Kalispell, Montana 59901
Mr. Keith M. Corbin, Owner
Telephone: 752-2525

College of Beauty Careers
Marcus Daly Hotel
Anaconda, Montana 59711
Mrs. Ethel Smith, Owner
Telephone: 563-7461

College of Coiffure Art
1836 Virginia Lane
Billings, Montana 59102
Mrs. Pauline Adamson, Owner
Telephone: 245-6429

Dahl's College of Beauty
1205 Central Avenue
Great Falls, Montana 59401
Mr. Douglas Dahl, Owner
Telephone: 454-3453

Hollywood Beauty College, Inc.
115 North 30th Street
Billings, Montana 59101
Mrs. Alberta Love, Manager
Telephone: 252-7115

Maddio's Capitol City Beauty College
511 North Main
Helena, Montana 59601
Mr. Vincent E. Maddio, Owner
Telephone: 442-1011

Miles City College of Beauty
720½ Main Street
Miles City, Montana 59301
Mrs. June Baker, Owner
Telephone: 232-2162

Bozeman Beauty College
2 West Main
Bozeman, Montana 59715
Mr. McRay Evans, Owner
Telephone: 586-2995

Mr. Rich's Beauty College
423 North Higgins
Missoula, Montana 59801
Mr. Richard Danielson, Owner
Telephone: 549-9594

Billings Business College
3125 Third Avenue North
Billings, Montana 59101
Howard C. Porter, President
Telephone: 245-3413
252-4649

Butte Business College
220 North Alaska Street
Butte, Montana 59701
Mr. James F. Curry, President
Telephone: 792-2391

Great Falls Commercial College
905 First Avenue North
Great Falls, Montana 59401
Mr. Denis Wingen, Manager
Telephone: 761-6610

Modern Business College
130 West Pine
Missoula, Montana 59801
Mr. E. T. Aasheim, Manager
Telephone: 549-4127

Archie Bray Foundation
2915 Country Club Avenue
Helena, Montana 59601
Dave Cornell, Director
Telephone: 442-2521

Albrights Flying, Inc.
P.O. Box 307
Roundup Airport
Roundup, Montana 59072

Big Sky Aircraft, Inc.
Lewistown Municipal Airport
Lewistown, Montana 59457

Boles Aviation Service
Robert S. Boles
Fairgrounds Airport
Hardin, Montana 59034

Butte Aero
Northwestern Resources Co.
P.O. Box 3074
Bert Mooney Sliver Bow. Co. Airport
Butte, Montana 59701

Central Air Service, Inc.
P.O. Box 895
Municipal Airport
Lewistown, Montana 59457

Combs Airways, Inc.
Logan Field
Billings, Montana 59101

Dillon Flying Service
James Andre Morris
P.O. Box 188
Beaverhead County Airport
Dillon, Montana 59725

Executive-Skyflite
Executive Aviation, Inc.
P.O. Box 1114
Johnson Bell Field
Missoula, Montana 59801

Falcon Aviation, Inc.
Municipal Airport
Miles City, Montana 59301

Flathead Valley Community College
P.O. Box 1174
Kalispell, Montana 59901

Flight Line, Inc.
P.O. Box 87
Gallatin Field
Belgrade, Montana 59714

Gillis Aviation
Ox Bow Ranch, Inc.
P.O. Box 2098
Logan Field
Billings, Montana 59103

Glasgow Senior High School
Box 28
Glasgow, Montana 59230

Glendive Flying Service
Clifford L. Cunningham
P.O. Box 576
Dawson Community Airport
Glendive, Montana 59330

Havre Aviation
Leland P. Christopherson
1411 Fourth Street
Havre, Montana 59501

Hensley Flying Service
Walter C. Hensley
P.O. Box 1029
Havre City-County Airport
Havre, Montana 59501

Herrod School of Aviation
Thomas E. Herrod
Logan Field
Billings, Montana 59101

Holman Aviation Co.
Glacier Park International Airport
Kalispell, Montana 59901

Holman Aviation Co.
P.O. Box 2228
International Airport
Great Falls, Montana 59401

Johnson Flying Service, Inc.
P.O. Box 1366
Johnson-Bell Field
Missoula, Montana 59801

Lynch Flying Service, Inc.
Logan Field
Billings, Montana 59101

Miles City Aero Service, Inc.
Box 656
Municipal Airport
Miles City, Montana 59301

Missoula Technical Center
909 South Avenue West
Missoula, Montana 59801

Morrison Flying Service, Inc.
Helena Airport
Helena, Montana 59601

Munsons Aerial Spraying
Rollin G. Munson
Sherwood Airport
Plentywood, Montana 59254

Northern Aviation, Inc.
International Airport
Box 2464
Great Falls, Montana 59401

Pondera Flying Service, Inc.
P.O. Box 211
Conrad Airport
Conrad, Montana 59425

Skycraft
Willard L. Rimby
P.O. Box 614
Municipal Airport
Lewistown, Montana 59457

Skymart Aviation, Inc.
P.O. Box 2869
International Airport
Great Falls, Montana 59401

Stockhill Aviation, Inc.
Lawrence Edward Stockhill
City Airport
Kalispell, Montana 59901

Strand Aviation, Inc.
P.O. Box 166
Kalispell, Montana 59901

Timm Aero Service
Philip E. Timm
P.O. Box 516
Polson, Montana 59860

Wokal Flying Service
Victor Wokal
Box 468
Glasgow International Airport
Glasgow, Montana 59230

St. Patrick School of Nursing
500 West Pine Street
Missoula, Montana 59801
Miss Phyllis M. McDonald, Director
Telephone: 543-7271

Columbus Hospital
School of Radiologic Technology
1501 Second Avenue North
Great Falls, Montana 59401
Dirk Van Leer, Administrative Chief Technologist
Dexter W. Johnson, M.D., Director
Telephone: 453-3231

Billings Deaconess Hospital
School of Radiologic Technology
2813 9th Avenue North
Billings, Montana 59103
Mr. Gale S. Walters, Coordinator
Rovert D. Howe, Administrator
Telephone: 259-5551

Montana Deaconess Hospital
School of Radiologic Technology
1101 26th South
Great Falls, Montana 59401
Donald F. Champion, Chief, R.T.
Fred K. Holbrook, Administrator
Telephone: 761-1200

St. Patrick Hospital
School of Radiologic Technology
500 West Broadway
Missoula, Montana 59801
Sister Alberic Marie, Department Supervisor
Eugene J. B. Drouillard, M.D., Director
Telephone: 543-7271

St. Vincent's Hospital
School of Radiologic Technology
2915 - 12th Avenue North
Billings, Montana 59101
Mr. Guy Copman, Assistant Firector
Sister Alice Marie, Administrator
Telephone: 252-2121

Outfitters & Guides School
P.O. Box 493
Hamilton, Montana
Mr. Erv Malnarich, Owner & Supervisor
Telephone: 363-3522

Del Cameron Enterprises
Route 1, Box 69
Victor, Montana 59875
Telephone: 961-3425

Montana Real Estate Institute
P.O. Box 1122
Helena, Montana 59601

Montana Board of Real Estate
42½ North Main
LaLonde Building
Helena, Montana 59601
Telephone: 449-3737 Ext. No. 25

H & R Block Income Tax Preparation

Sites:

Hustad Center
Helena, Montana 59601
Mrs. Clendora Morley, Manager
Telephone: 442-0670

1123 Central Avenue
Great Falls, Montana 59401
Mr. Tom Letz, Manager
Telephone: 454-1482

217 West Broadway
Missoula, Montana 59801
Mr. W. Burnham Smith, Manager
Telephone: 728-3661

311 1st Avenue East
Kalispell, Montana 59901
Mr. Lynn Barnier, Manager
Telephone: 756-7891

21 South Ninth Street
Miles City, Montana 59301
Mr. Allen Tomaszek, Manager
Telephone: 232-2224

Montana Institute of the Bible
1525 Shiloh Road
Billings, Montana 59102
Mr. Harold L. Longenecker, President
Telephone: 656-3210

APPENDIX D

ACCREDITATION ORGANIZATIONS

ACCREDITATION ORGANIZATIONS

American Assembly of Collegiate Schools of Business
Jesse M. Smith, Jr., Managing Director
101 N. Skinker Blvd.--Prince Hall
St. Louis, Missouri 63130

Accrediting Commission on Graduate Education
for Hospital Administration
Gary L. Filerman, Executive Secretary
One Dupont Circle, N.W., Suite 420
Washington, D.C. 20026

American Medical Association
C. H. William Ruhe, Secretary
Council on Medical Education, AMA
535 North Dearborn Street
Chicago, Illinois 60610

Liaison Committee on Medical Education
representing the Council on Medical Education of the American
edical Association and the Executive Council of the
Association of American Medical Colleges
C.H. William Ruhe, Secretary
Council on Medical Education, AMA
535 North Dearborn Street
Chicago, Illinois 60610
or
John A. D. Cooper, President
Association of American Medical Colleges
One Dupont Circle, N.W., Suite 200
Washington, D.C. 20036

National League for Nursing
Dorothy Ozimek, Director
Department of Baccalaureate and Higher Degree
Programs, NLN
10 Columbus Circle
New York, New York 10019

Northwest Association of Secondary and Higher Schools
James F. Bemis, Executive Director
Commission on Higher Schools
3731 University Way, N.E. 104
Seattle, Washington 98105

APPENDIX E

STUDENT AND CONSUMER PROTECTION AGENCIES

STUDENT AND CONSUMER PROTECTION AGENCIES

Students preparing a complaint against a school, it is important that the complainant ascertain the kinds of status which the school in question enjoys with State agencies, Federal agencies and accrediting agencies, in order to direct the complaint to the proper authority or authorities.

FEDERAL:

Accreditation and Institutional Eligibility Staff
Bureau of Post-Secondary Education
U.S. Office of Education
Washington, D. C. 20202

Bureau of Consumer Protection
Federal Trade Commission
Washington, D. C. 20580

Fraud Branch
Postal Inspection Service
U. S. Postal Service
Washington, D. C. 20260

Education and Rehabilitation Service
Veterans Administration
Washington, D. C. 20420

Aviation Education Programs Division
Office of General Aviation
Federal Aviation Administration
Washington, D. C. 20590

STATE:

Board of Regents for Higher Education
1231 Eleventh Avenue
Helena, Montana 59601

Office of the Superintendent of Public Instruction
Veteran Education & Training
State Capitol
Helena, Montana 59601

Office of the Superintendent of Public Instruction
State Capitol
Helena, Montana 59601

Department of Business Regulations
805 North Main Street
Helena, Montana 59601

Board of Cosmetologists
Dept. of Professional & Occupational Licensing
LaLonde Building
Helena, Montana 59601

Board of Nursing
Dept. of Professional & Occupational Licensing
LaLonde Building
Helena, Montana 59601

Board of Real Estate
Dept. of Professional & Occupational Licensing
LaLonde Building
Helena, Montana 59601

Department of Fish & Game
Mitchell Building
Helena, Montana 59601

Aeronautics Division
Department of Intergovernmental Relations
Municipal Airport
Helena, Montana 59601

NATIONAL CONFERENCE ON CONSUMER PROTECTION IN POSTSECONDARY EDUCATION

Denver, Colorado
March 18-19, 1974

(Materials Available for Distribution)

Accredited Postsecondary Institutions and Programs, 1972, by Accreditation and Institutional Eligibility Staff, Bureau of Higher Education. Washington, D. C.: U. S. Government Printing Office. 191 p. [DHEW Publication No. (OE)73-170000] $2.00

Consumer Protection in Postsecondary Education, Program Handbook. Denver, Colorado: March 1974. 112 p.

Directory of Accredited Private Trade and Technical Schools. Washington, D. C.: National Association of Trade and Technical Schools. 1973. 97 p.

Financing Higher Education: The Current State of the Debate, by Howard R. Bowen. Washington, D. C.: Association of American Colleges. February 1974. 42 p.

Guides for Private Vocational and Home Study Schools. Washington, D. C.: Federal Trade Commission. May 1972. 13 p.

Higher Education in the States, Volume 4, Number 5, "State Support of Private Higher Education: Programs in Operation or Approved in the 50 States as of January 1974." Denver, Colorado: Education Commission of the States. 1974. Pp. 149-172.

List of Recognized Accrediting Agencies. Washington, D. C.: National Commission on Accrediting. 1973. 6 p.

Manual for Agents of Private Occupational Schools, issued by the State of Ohio. Columbus, Ohio: State Board of School and College Registration. July 1973. 10 p.

Minimum Standards, Rules and Regulations Relating to the Licensing and Operation of Independent Colleges and Universities, by the State Board of Education. Tallahassee, Florida: State Board of Independent Colleges and Universities of the State of Florida. October 1971. 15 p.

"Policy Statement on Ethical Standards in Education," by American Medical Association and Collaborating Organizations. November 1973. 1 page.

GHM:mob

AMERICAN MEDICAL ASSOCIATION
COUNCIL ON MEDICAL EDUCATION
AND COLLABORATING ORGANIZATIONS

POLICY STATEMENT ON ETHICAL STANDARDS IN EDUCATION

The Advisory Committee on Education for the Allied Health Professions and Services of the AMA Council on Medical Education and the Advisory Committee's Panel of Consultants consider the following among factors in evaluating the ethical practices of institutions:

1. The program must be educational and students should use their scheduled time for educational experiences.

2. Academic credit and tuition must be fair; program shall not assign excessive credit for course work as a means to obtaining increased tuition income.

3. Announcements and advertising must reflect accurately the program offered; advertising of the program must not be misleading or characterized by misrepresentation.

4. Student and faculty recruitment practices are responsible; recruitment is not based on misrepresentation. For example, overstatement of financial rewards of careers within a given field may lead to unrealistic income expectations on the part of students.

5. Financial arrangements are fair to the students and to the school. For example, there is no encouragement of students to enroll and obtain loans from the school, or to take loans arranged through the school which have an excessive rate of interest and which lead to indebtedness that is excessive in relation to the potential earnings of a new program graduate.

6. Student recruitment practices permit student's exercise of free choice of programs.

7. Recruitment and matriculation practices are non-discriminatory with respect to race, color, creed, sex or national origin.

8. Costs to the student are reasonable and accurately stated and published.

9. Policies and process for student withdrawal and refunds on tuition and fees are fair, and published and made known to all applicants; there is neither high pressure selling nor refusal to refund unexpended tuition or fees to which the student is ertitled.

10. Health and safety of students, faculty, and patients are adequately safeguarded.

It is the Council on Medical Education's practice to refer charges of alleged unethical practices to the appropriate review committee for investigation and recommended action.

November, 1973

APPENDIX F

SENATE RESOLUTION 30

SENATE RESOLUTION 30

"A JOINT RESOLUTION OF THE SENATE AND HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING THE STATE BOARD OF EDUCATION TO CONDUCT A STUDY OF PROPRIETARY SCHOOLS OFFERING VOCATIONAL OR TECHNICAL TRAINING TO CITIZENS OF MONTANA.

WHEREAS, interest in employment skills and technical training is increasing in Montana, and

WHEREAS, the goals, procedures and standards of proprietary technical and training schools are often unknown, and the goals, procedures and standards of such schools may not be in keeping with the public interest and the needs of students, and

WHEREAS, students and their families have often uncurred financial loss through fraudulent or exaggerated representations made by some proprietary vocational or technical training schools, and

WHEREAS, the state of Montana currently has no rules, regulations or standards in regard to proprietary vocational or technical training schools.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

That the state board of education be requested to organize a committee including a representative from the office of the superintendent of public instruction, the Montana personnel and guidance association, the Montana vocational association, and Montana proprietary vocational or technical training schools to study proprietary schools offering vocational or technical training to the citizens of Montana, and to make recommendations to the forty-third legislative assembly with a view toward establishing rules, regulations and standards for such schools, and

BE IT FURTHER RESOLVED, that the secretary of the state of Montana be instructed to send a copy of this resolution to the state board of education."

APPENDIX G

HOUSE BILL 749

(1) "Education or educational services" means a class, course or program of training, instruction or study.

(2) "Postsecondary education" means the education or educational services offered to persons who have completed or terminated their secondary education or who are beyond the age of compulsory school attendance for the attainment of academic, professional or vocational objectives.

(3) "Educational credential" means a degree, diploma, certificate, transcript, report, document, letters of designation, marks, appellations, series of letters, numbers or words which signify, purport or are generally taken to mean enrollment, attendance, progress or satisfactory completion of the requirements or prerequisites for education through a postsecondary educational institution.

(4) "Institution" means an academic, vocational, technical, home study, business, professional or other school, college or university, or any person, association or corporation offering educational credentials or educational services but does not include any institution established and maintained under the laws of this state, another state or the government of the United States at the public expense.

(5) "Agent" means any person owning any interest in, employed by or representing a postsecondary educational institution in this or another state who, by solicitation in any form made in this state, seeks to enroll or enrolls a resident of

this state in such postsecondary institution, or who offers to award educational credentials on behalf of such institution for remuneration, or who holds himself out to the residents of this state as representing a postsecondary institution for any such purpose.

(6) "Department" means the department of business regulation.

(7) "License" means written approval issued by the department to operate or to contract to operate a postsecondary institution in this state.

(8) "Permit" means written approval issued by the department to any person to act as an agent for a postsecondary educational institution.

(9) "Grant" means sell, award, confer, bestow or give.

(10) "Offer" means, in addition to its usual meaning, to advertise, publicize, solicit or encourage any person, directly or indirectly, in any form, to perform the act described.

(11) "Operate" means to establish and maintain any facility in this state for the purpose described and includes a contract with any person, association or corporation to establish and maintain such facility.

(12) "Application" means either an application for the initial issuance of a license or permit or for the renewal of a license or permit.

Section 3. There is a new section to be numbered 75-9203,

R.C.M. 1947, which reads as follows:

75-9203. Exemptions. The following are exempt from the provisions of this act:

(1) institutions accredited by a national or regional accrediting agency recognized by either the board of public education or the board of regents of higher education and notification of such recognition having been given to the department by either board;

(2) education sponsored by a trade, business, professional or fraternal organization solely for the membership of the organization or offered without the payment of fees;

(3) avocational or recreational education and institutions offering such education exclusively;

(4) education offered by charitable or religious institutions, organizations or agencies unless such education is offered as leading toward educational credentials;

(5) institutions possessing a valid certificate issued by the federal aviation agency;

(6) schools of cosmetology possessing a valid certificate of registration issued under the provisions of Chapter 8 of Title 66.

Section 4. There is a new section to be numbered 75-9204, R.C.M. 1947, which reads as follows:

75-9204. Administration. The department shall administer this act. To effect the purposes of this act, the department may request from any agency of the state, and every agency shall

provide, such information as will enable the department to exercise properly its powers and perform its duties. Nothing herein shall be construed to interfere with the purpose and function of any agency of the state.

Section 5. There is a new section to be numbered 75-9205, R.C.M. 1947, which reads as follows:

75-9205. Advisory council -- (1) there is created an advisory council. The council is composed of five (5) members appointed by the governor and two (2) ex officio members. Two (2) members shall represent the Montana Proprietary School Association, one (1) member shall represent the advisory council for vocational education, one (1) member shall represent the Montana personnel and guidance association, and one (1) member from the public at large who has no connection with education. The ex officio members shall be the superintendent of public instruction and the commissioner of higher education. Members of the council shall serve for five (5) years, except that the initial appointments shall be one (1) for three (3) years, two (2) for four (4) years, and two (2) for five (5) years.

(2) The council shall advise the department of policies, rules, regulations and procedures necessary for carrying out the provisions of this act.

(3) The council's organization, meetings, quorum and compensation are as provided in section 82A-110.

Section 6. There is a new section to be numbered 75-9206,

R.C.M. 1947, which reads as follows:

75-9206. Powers and duties of the department. To administer this act, the department shall have the following powers and duties:

(1) to establish minimum criteria in consultation with the commissioner of higher education conforming to the minimum standards in section 7 [75-9207] of this act which applicants for a license or permit shall satisfy before a license or permit shall be issued, provided the requirements of the Administrative Procedure Act for rule-making procedures have been complied with;

(2) to receive, to investigate as it may deem necessary, and to act upon applications for a license or permit;

(3) to maintain a list of licensed institutions, of persons possessing permits and of accrediting agencies recognized under subsection (1) of section 3 [75-9203] of this act, provided that an institution and its agent exempt from this act may be included in such list upon the filing of an affidavit of exemption;

(4) to negotiate and enter into reciprocal interstate agreements with like agencies in other states if such agreements are or will affect the purposes of this act; provided, that nothing contained in such agreement shall be construed as limiting the powers and duties of the department with respect to investigating or acting upon any application for a license, or for a permit or with respect to the enforcement of any provision of this act or regulations adopted hereunder;

(5) to receive and cause to be maintained for a reasonable length of time not less than ten (10) years, copies of academic records pursuant to section 18 [75-9218] of this act;

(6) to establish with the advice of the advisory council rules, regulations and procedures necessary for the implementation of this act which, shall have the force of law; provided the requirements of the Montana Administrative Procedure Act for rule making procedures have been complied with, and to hold hearings as it may deem advisable in developing such rules, regulations and procedures or to aid in any investigation or inquiry; and

(7) to investigate as it may deem necessary, on its own motion or on the filing of a verified complaint filed with it, any institution or person subject to or reasonably believed by the department to be subject to the provisions of this act; to subpoena any persons or documents pertaining to such investigation, which subpoenas shall be enforceable in a district court of this state; to require answers in writing under oath to questions or interrogatories propounded by the department; and to administer an oath or affirmation to any person in connection with any investigation.

Section 7. There is a new section to be numbered 75-9207, R.C.M. 1947, which reads as follows:

75-9207. Minimum standards. (1) In establishing the criteria required by section 6 [75-9206] of this act, the department shall observe and shall require compliance with the following minimum

standards:

(a) postsecondary educational institution must be maintained and operated, or, in the case of a new institution, it must demonstrate that it can be maintained and operated, in compliance with the following minimum standards:

(i) that the quality and content of each course or program of instruction, training, or study are such as may reasonably and adequately achieve the stated objective for which the course or program is offered;

(ii) that the institution has adequate space, equipment, instructional materials and personnel to provide education of good quality;

(iii) that the education and experience qualifications of directors, administrators, supervisors, and instructors are such as may reasonably insure that the students will receive education consistent with the objectives of the course or program of study;

(iv) that the institution provides students and other interested persons with a catalog or brochure containing information describing the programs offered, program objectives, length of program, schedule of tuition, fees and all other charges and expenses necessary for completion of the course of study, cancellation and refund policies, and such other material facts concerning the institution and program or course of instruction as are reasonably likely to affect the decision of the student to enroll therein, together with any other disclosures required by

the department; and that such information is provided to prospective students prior to enrollment;

(v) that upon satisfactory completion of training, the student is given appropriate educational credentials by the institution, indicating that the course or courses of instruction or study have been satisfactorily completed;

(vi) that adequate records are maintained by the institution to show attendance, programs, or grades, and that satisfactory standards are enforced relating to attendance, progress, and performance;

(vii) that the institution is maintained and operated in compliance with all pertinent ordinances and laws relating to the safety and health of all persons upon the premises;

(viii) that the institution is financially sound and capable of fulfilling its commitments to students;

(ix) that neither the institution nor its agents engage in advertising, sales, collection, credit, or other practices of any kind which are false, deceptive, misleading, or unfair;

(x) that the chief executive officer, trustees, directors, owners, administrators, supervisors, staff, and instructors are of good reputation and character; and

(xi) that the institution has a fair and equitable cancellation and refund policy.

(b) an applicant for a permit to act as agent shall be an individual of good reputation and character and shall represent

only a postsecondary educational institution which meets the minimum standards established in this section and the criteria established under section 6 [75-9206] of this act.

(c) no post secondary educational institution may use the term "university" or "college" without authorization to do so from the department in consultation with the commissioner of higher education; provided that any institution subject to this act located within this state which used either term on January 1, 1974 may continue to do so by filing an affadavit to that effect with the department prior to January 1, 1975.

(2) Accreditation by national or regional accrediting agencies recognized by the United States Office of Education may be accepted by the department as evidence of compliance with the minimum standards established hereunder and the criteria established under section 6 [75-9206] of this act; provided, the department, after conferring with the commissioner of higher education, may require such further evidence and make such further investigation as in its judgment may be necessary. Accreditation by a recognized, specialized accrediting agency may be accepted as evidence of such compliance only as to the portion or program of an institution accredited by such agency if the institution as a whole is not accredited.

Section 8. There is a new section to be numbered 75-9208, R.C.M. 1947, which reads as follows:

75-9208. Prohibition. No person, group, association or

corporation, alone or in concert with others, shall:

(1) operate in this state a postsecondary educational institution unless the institution is exempt from the provisions of this act or is licensed by the department;

(2) offer instruction in, enrollment in or grant of educational credentials as or through an agent by a postsecondary educational institution not exempted from this act whether within or without the state unless the agent possesses a currently valid permit as required by this act;

(3) accept or receive contracts or applications for enrollment from an agent unless the agent possesses a currently valid permit as required by this act;

(4) offer education or educational services or, educate or provide educational service, offer to enroll or enroll, contract or offer to contract with any person for such purpose, or offer to grant, grant or contract with any person for that purpose in this state unless the person, group, association or corporation complies with the minimum standards in section 7 [75-9207] of this act, the criteria established by the department and the rules and regulations adopted by the department;

(5) act as an agent for a postsecondary educational institution unless currently possessing a valid permit from the department.

Section 9. There is a new section to be numbered 75-9209, R.C.M. 1947, which reads as follows:

75-9209. License. (1) Each postsecondary educational institution not exempted from this act intending to operate or presently operating in this state shall apply to the department for a license to operate. Application shall be made on forms prescribed by the department. Each application shall be accompanied by the most recent catalog or brochure published or intended to be published by the institution. The application also shall be accompanied by evidence of payment of the fees required by this act.

(2) After review of the application and any further information required by the department, any investigation of the application which the department may deem necessary or appropriate and evidence of a surety bond as required by this act, the department shall either issue or not issue a license to operate a postsecondary educational institution. The license shall be nontransferable and may be upon such terms and conditions as the department may require.

(3) The license shall be in a form prescribed by the department and shall state in a clear and conspicuous manner at least the following information:

(a) date of issuance, effective date and date of expiration;

(b) the name and address of the institution licensed;

(c) the authority for and conditions of approval, and;

(d) any terms or conditions required by the department.

(4) No license shall be valid for more than two (2) years

and may be valid for a lesser period of time.

Section 10. There is a new section to be numbered 75-9210, R.C.M. 1947, which reads as follows:

75-9210. Permit. (1) Each person intending to act in this state as an agent for a postsecondary institution not exempt from the provisions of this act shall make application to the department. Application shall be made on forms prescribed by the department. Each application shall be accompanied by evidence of payment of the fees required by this act and the sworn affidavits of three (3) residents of this state as to the good character and reputation of the applicant, and shall show the name and address of the institution which the applicant intends to represent.

(2) In the event the applicant intends to represent an institution not licensed to operate in this state, the application shall be accompanied by the information required of institutions applying for such a license.

(3) After review of the application and any further information required by the department, any investigation deemed necessary or appropriate and evidence of a surety bond required by this act, the department shall issue or not issue the permit to the applicant. The permit shall be nontransferable and may be upon such terms and conditions as the department may require.

(4) The permit shall be in the form prescribed by the department and shall state in a clear and conspicuous manner at least the following information:

(a) the date of issuance, effective date and date of expiration;

(b) the name and address of the agent;

(c) the name and address of the institution or institutions the agent may represent;

(d) the authority for and conditions of approval; and

(e) any terms or conditions required by the department.

(5) No permit shall be valid for more than two (2) years and may be valid for a lesser period of time.

Section 11. There is a new section to be numbered 75-9211, R.C.M. 1947, which reads as follows:

75-9211. Denial of application for license or permit. (1) If the department determines that an application is deficient under the criteria established for the issuance of a license or permit, the department shall notify the applicant in writing of that determination and the deficiencies.

(2) If the applicant requests, and the request demonstrates to the department the applicant's intention and ability to remedy the deficiencies causing the denial of the license or permit, the department may grant the applicant a reasonable period of time to take such action.

(3) If a request under subsection (2) above is not made or a request is made and is denied or the period of time granted expires without remedy of the deficiencies, the application shall be denied. The department shall notify the applicant of the

denial, the reasons therefor and the opportunity of the applicant for a hearing before the department provided in section 13 [75-9213].

(4) In the event an application for a permit is denied, the department shall notify in writing the institution or institutions to be represented or represented by the applicant.

Section 12. There is a new section to be numbered 75-9212, R.C.M. 1947, which reads as follows:

75-9212. Revocation of license or permit. If the department has reasonable cause to believe that a holder of a license or permit issued under any provision of this act has violated or is in violation of this act or criteria established under this act, the department may revoke the license or permit as provided hereafter.

(1) The department shall notify the holder in writing of the intention to revoke, the grounds for the intended action and a date upon which such revocation shall become effective.

(2) If, prior to the effective date of the revocation, the holder submits evidence showing the holder has taken action to remedy the violation or violations which has or have occurred or is occurring and such evidence is satisfactory to the department, the department may vacate the effective date of the revocation.

(3) If there is no submission under subsection (2) above, the license or permit shall be revoked on the effective date, unless the holder requests a hearing before the department under

the provisions of section 13 [75-9213] of this act.

(4) In the event a permit is revoked, the department shall notify the institution or institutions represented by the holder of the revocation.

Section 13. There is a new section to be numbered 75-9213, R.C.M. 1947, which reads as follows:

75-9213. Hearing. Any person denied a license or permit or who has recieved notice of intention to revoke a license or permit shall have the right to a hearing before the department as provided herein.

(1) If, upon receipt of notification of denial or intention to revoke, the holder or applicant desires a hearing, he shall notify the department in writing of such desire within ten (10) days after the giving of notice of such action or intention.

(2) Upon receipt of such notification, the department shall fix a time and place for hearing and shall inform in writing the applicant or holder of such time and place.

(3) The department may appoint a hearing officer who shall conduct the hearing, hear testimony and receive evidence. After the hearing, the hearing officer shall prepare proposed findings of fact, conclusions of law and an order which shall be served on the parties to the hearings and presented to the department. A party adversely affected by the order may file exceptions, present briefs and argument to the department.

(4) At such hearing, the party may employ counsel, shall

have the right to hear the evidence upon which the action is based and present evidence in extenuation or opposition.

(5) A decision of the department after hearing, or on the expiration of time for request for a hearing if none is made, shall be final subject to judicial review as provided in section 14 [75-9214] of this act.

Section 14. There is a new section to be numbered 75-9214, R.C.M. 1947, which reads as follows:

75-9214. Judicial review. Any person aggrieved or adversely affected by a final decision of the department may seek judicial review of such decision by filing a petition for a writ of certiorari in the district court of the First Judicial District, in and for the county of Lewis and Clark, not later than thirty (30) days after the date of such decision.

Section 15. There is a new section to be numbered 75-9215, R.C.M. 1947, which reads as follows:

75-9215. Civil relief. Any person or persons claiming loss or damage as a result of any act or practice by a postsecondary institution or its agent or both, which act or practice violates the criteria established by the department under section 6 [75-9206] of this act or the prohibitions in section 8 [75-9208] of this act, may sue in a court of proper jurisdiction of this state the institution of the agent or both and their sureties for the amount of such damage or loss and, if successful, shall be awarded, in addition to damages, court costs and reasonable

attorney's fees.

Section 16. There is a new section to be numbered 75-9216, R.C.M. 1947, which reads as follows:

75-9216. Bonds required. (1) At the time application is made for license the department may require the postsecondary educational institution making such application to file with the department a good and sufficient surety bond in such sum as may be determined by the department. Said bond shall be executed by the applicant as principal and by a surety company qualified and authorized to do business in this state. The bond shall be conditioned to provide indemnification to any student or enrollee or his parent or guardian, or class thereof, determined to have suffered loss or damage as a result of any act or practice which is a violation of this act by said postsecondary educational institution, and that the bonding company shall pay any final, nonappealable judgment rendered by any court of this state having jurisdiction, upon receipt of written notification thereof. Regardless of the number of years that such bond is in force, the aggregate liability of the surety thereon shall in no event exceed the penal sum of the bond. The bond shall be for two (2) years or coterminous with the license.

(2) An application for a permit shall be accompanied by a good and sufficient surety bond in a penal sum of one thousand dollars ($1,000). Said bond shall be executed by the applicant as principal and by a surety company qualified and authorized to do

business in this state. The bond may be in blanket form to cover more than one agent for a postsecondary educational institution, but it shall cover each agent for said institution in a penal sum of one thousand dollars ($1,000). The bond shall be conditioned to provide indemnification to any student, enrollee, or his or her parents or guardian, or class thereof, determined to have suffered loss or damage as a result of any act or practice which is a violation of this act by said agent, and that the bonding company shall pay any final, nonappealable judgment rendered by any court of this state having jurisdiction, upon receipt of written notification thereof. Regardless of the number of years that such bond is in force, the aggregate liability of the surety thereon shall in no event exceed the penal sum thereof. The bond shall be for two (2) years or coterminous with the permit.

(3) The surety bond to be filed hereunder shall cover the period of the license or the permit except when a surety shall be released as provided herein. A surety on any bond filed under the provisions of this section may be released after such surety shall serve written notice to the department forty (40) days prior to said release; but said release shall not discharge or otherwise affect any claim theretofore or thereafter filed by a student or enrollee or his parent or guardian for loss or damage resulting from any act or practice which is a violation of this act alleged to have occurred while the bond was in effect, nor for an institution's ceasing operations during the term for which tuition

has been paid while the bond was in force.

(4) A license for an institution to operate or a permit to an agent shall be suspended by operation of law when said institution or agent is no longer covered by a surety bond as required by this section; but the department shall cause the institution or an agent, or both, to receive at least thirty (30) days written notice prior to the release of the surety to the effect that the license or permit shall be suspended by operation of law until another surety bond shall be filed in the same manner and like amount as the bond being terminated.

Section 17. There is a new section to be numbered 75-9217, R.C.M. 1947, which reads as follows:

75-9217. Fees. All fees collected pursuant to the provisions of this act shall be deposited in the general fund, and no fees collected under the provisions of this act shall be subject to refund. The fees to be collected by the department shall accompany an application for authorization to operate or for an agent's permit, in accordance with the following schedule:

(1) the initial application fee for a license shall be fifty dollars ($50);

(2) the renewal fee for a license shall be twenty-five dollars ($25);

(3) the initial fee for permit shall be twenty-five dollars ($25); and

(4) the renewal fee for permit shall be ten dollars ($10).

Section 18. There is a new section to be numbered 75-9218, R.C.M. 1947, which reads as follows:

75-9218. Preservation of records. In the event any postsecondary educational institution now or hereafter located in this state proposes to discontinue its operation, the chief administrative officer, by whatever title designated, of such institution shall cause to be filed with the department the original or legible true copies of all such academic records of such institution as may be specified by the department. Such records shall include, at a minimum, such academic information as is customarily required by colleges when considering students for transfer or advanced study; and, as a separate document, the academic record of each former student. In the event it appears to the department that any such records of an institution discontinuing its operations are in danger of being destroyed, secreted, mislaid, or otherwise made unavailable, the department may seize and take possession of such records on its own motion, and without order of court. The department shall maintain or cause to be maintained a permanent file of such records coming into its possession.

Section 19. There is a new section to be numbered 75-9219, R.C.M. 1947, which reads as follows:

75-9219. Enforceability of notes and contracts. (1) If the person to whom educational services are to be rendered or furnished by a postsecondary educational institution is a resident

of this state at the time any contract relating to payment for such services or any note, instrument, or other evidence of indebtedness relating thereto is entered into, the provisions of this section shall govern the rights of the parties to such contract or evidence of indebtedness. In such event, the following agreements entered into in connection with the contract or the giving of such evidence of indebtedness are invalid:

(a) that the law of another state shall apply;

(b) that the maker or any person liable on such contract or evidence of indebtedness consents to the jurisdiction of another state;

(c) that another person is authorized to confess judgment on such contract or evidence of indebtedness; and

(d) that fixes venue.

(2) No note, instrument or other evidence of indebtedness, or contract relating to payment for education or educational services shall be enforceable in the courts of this state by any postsecondary educational institution located in Montana unless the institution shall have received a license; nor by any postsecondary educational institution having an agent or agents in Montana unless any and all agents who enrolled or sought to enroll the person to whom such services were to be rendered, or to whom educational credentials were to be granted, had a permit at the time of their contact with such person.

(3) For the purposes of this section, "lending agency" means

any postsecondary educational institution or any person, association, partnership or corporation controlling, controlled by or held in common ownership with such institution, loaning money to such institution or students thereof.

(4) Any lending agency extending credit or loaning money to any person for tuition, fees, or any charges whatever of a postsecondary educational institution for educational or other services or facilities to be rendered or furnished by said institution, shall cause any note, instrument, or other evidence of indebtedness taken in connection with such loan or extension of credit to be conspicuously marked on the face thereof, "student loan." In the event such lending agency fails to do so, it shall be liable for any loss or damage suffered or incurred by any subsequent assignee, transferee, or holder of such evidence of indebtedness on account of the absence of such notation.

(5) Notwithstanding the presence or absence of such notation, and notwithstanding any agreement to the contrary, the lending agency making such loan or extending such credit, and any transferee, assignee, or holder of such evidence of indebtedness shall be subject to all defenses and claims which could be asserted against the postsecondary educational institution which was to render or furnish such services or facilities, by any party to said evidence of indebtedness or by the person to whom such services or facilities were to be rendered or furnished, up to the amount remaining to be paid thereon.

Section 20. There is a new section to be numbered 75-9220, R.C.M. 1947, which reads as follows:

75-9220. Violations -- criminal -- penalty. Any person, group, or entity, or any owner, officer, agent, or employee thereof, who shall willfully violate the provisions of section 8 [75-9208], or who shall willfully fail or refuse to deposit with the department the records required by section 18 [75-9218], shall be guilty of a misdemeanor and, upon conviction, shall be punished by a fine not to exceed one thousand dollars ($1,000), or by imprisonment in the county jail not to exceed six (6) months, or by both such fine and imprisonment. Each day's failure to comply with the provisions of said sections shall be a separate violation. Such criminal sanctions may be imposed by a court of competent jurisdiction in an action brought by the county attorney.

Section 21. There is a new section to be numbered 75-9221, R.C.M. 1947, which reads as follows:

75-9221. Jurisdiction of courts -- service of process. Any postsecondary educational institution not exempt from the provisions of this chapter, whether or not a resident of or having a place of business in this state, which instructs or educates, or offers to instruct or educate, enrolls or offers to enroll, contracts or offers to contract, to provide instructional or educational services in this state, whether such instruction or services are provided in person or by correspondence, to a

resident of this state, or which offers to award or awards any educational credentials to a resident of this state, submits such institution, and, if a natural person his personal representative, to the jurisdiction of the courts of this state, concerning any cause of action arising therefrom, and for the purpose of enforcement of this by injunction pursuant to section 22 [75-9222]. Service of process upon any institution subject to the jurisdiction of the courts of this state may be made by personally serving the summons upon the defendent within or outside the state, in the manner prescribed by the rules of civil procedure, with the same force and effect as if the summons had been personally served within Montana. Nothing contained in this section shall limit or affect the right to serve any process as prescribed by the rules of civil procedure.

Section 22. There is a new section to be numbered 75-9222, R.C.M. 1947, which reads as follows:

75-9222. Enforcement -- injunction. (1) The county attorney of any county in which a postsecondary educational institution or an agent thereof is found, at the request of the department or on his own motion, may bring any appropriate action or proceeding (including injunctive proceedings, or criminal proceedings pursuant to section 20 [75-9220]) in any court of competent jurisdiction for the enforcement of the provisions of this chapter.

(2) Whenever it shall appear to the department that any

person, agent, group, or entity is, is [illegible] to, or has been violating any of the provisions of this [illegible] any of the lawful rules, regulations, or orders of the department, it may, on its own motion or on the written complaint of any person, file a petition for injunction in any court of competent jurisdiction against such person, group, or entity, for the purpose of enjoining such violation or for an order directing compliance with the provisions of this, and all rules and orders issued by the department.

Section 23. There is a new section to be numbered 75-[illegible] R.C.M. 1947, which reads as follows:

75-9223. Severability. The provisions of this act are severable, and if any part or provision of it is held void, the holding of the court shall not affect or impair any other part or provision of this act.

Section 24. Effective date. This act is effective [illegible], 197[illegible]

CHAPTER NO. 296

HOUSE BILL NO. 749

INTRODUCED BY R. HARPER, GUNDERSON

AN ACT REGULATING CERTAIN POSTSECONDARY EDUCATIONAL INSTITUTIONS, AND PROVIDING PENALTIES; AND PROVIDING AN EFFECTIVE DATE.

March 15th 74.

I hereby certify that the within bill originated in the House.

Chief Clerk

Speaker of the House
Signed this 14th day
of March, 1974.

President of the Senate
Signed this 15TH day
of MARCH, 1974.

3-25-74

STATE OF MONTANA
DEPARTMENT OF SECRETARY OF STATE
FILED
March 25 1974
AT 3:00 O'CLOCK P M
Frank Murray
SECRETARY OF STATE
BY Jo Ann Woodyard
DEPUTY